

**WHCOA Topic Area: Health and Long Term Living**  
**Issue: Medicare**

**Overview of Current Issue Status:** Medicare was implemented by Congress as a recommendation from the 1961 White House Conference on Aging. Medicare currently serves more than 41 million beneficiaries and is the primary source of health coverage for individuals over the age of 65.

**Challenges:** The January 2006 implementation of the Medicare prescription drug benefit intensifies the need to provide beneficiaries with timely and accurate information and the Aging Network has a long-standing track record of successfully providing assistance, benefits counseling and easy-to-understand information to millions of older adults, especially those with low-incomes. The Centers for Medicare and Medicaid Services (CMS) recognize this need to clarify changes in benefits and subsequent penalties as a result of the Medicare Modernization Act for those who do not fully understand the enrollment process and timeline. Eliminate barriers to common sense cost saving measures and new models of care. For example, the Department of Veterans Affairs leverages the power of its purchasing population (6.9 million) to negotiate with prescription drug manufacturers to obtain substantially lower prices and makes substantial use of generic drugs and mail order purchasing. Also, mental health care and end of life care has advanced significantly since Medicare was first enacted.

**Resolution:**

Guarantee Medicare for all current and future generations;

Eliminate the prohibition in the Medicare Modernization Act of 2004 against Medicare's ability to negotiate discounts on prescription drugs.

Strengthen the partnership between CMS and the Administration on Aging and their efforts to engage Area Agencies on Aging and Title VI Native American Agencies in educating beneficiaries about the new Medicare changes and benefits.

Allocate additional and adequate resources to meet the rise in demand for quality information and one-on-one assistance through the Area Agencies on Aging and State Health Insurance Counseling Program (SHIPs) about the Medicare Part D prescription drug benefit.

Update Medicare to place greater emphasis on establishing cost-effective linkages to home and community-based options through the Aging Network to promote chronic disease management, increase health promotion and disease prevention measures.

Update Medicare to provide parity for mental health services.

Update Medicare to include full coverage of hospice and palliative care.